

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

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JOHN H. DOYLE\*  
GEORGE JOHN KETO\*  
MILTON C. GRACE\*  
JAMES C. MARTIN, JR.\*

\*NOT A MEMBER OF D.C. BAR  
\*ALSO ADMITTED IN NEW YORK  
\*ALSO ADMITTED IN OHIO  
\*ALSO ADMITTED IN MARYLAND

LAW OFFICES  
**ALVORD AND ALVORD**

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

20006-2973

OF COUNSEL  
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393-2266

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INTERSTATE COMMERCE COMMISSION

May 20, 1986

6-140A019

Mr. James H. Bayne  
Secretary  
Interstate Commerce Commission  
Washington, D.C.

No. 13942-B  
Date MAY 20 1986  
Fee \$ 10.00  
ICC Washington, D.C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are two fully executed and acknowledged counterparts each of ~~1) an Amendment to Railroad Equipment Lease dated as of March 2, 1986 and 2) an Acknowledgement dated as of March 2, 1986, both~~ secondary documents as defined in the Commission's Rules for the Recordation of Documents.

The enclosed documents relate to a Railroad Equipment Lease dated as of January 1, 1983, which was duly filed and recorded at 1:45 p.m. on February 7, 1983 and assigned Recordation Number 13942.

A description of the railroad equipment covered by the enclosed documents is:

Three hundred sixty (360) 70-ton Trailer-on-Flat Cars bearing reporting marks and numbers in the series SP 900131 through SP 900479, both inclusive, and SP 901100 through SP 901149, both inclusive.

The names and addresses of the parties to the Railroad Equipment Lease are:

Lessor: California Group Services  
One Walnut Creek Center  
100 Pringle Avenue  
Walnut Creek, California 94596

Lessee: Greenbrier Leasing Corporation  
One Centerpointe Drive  
Lake Oswego, Oregon 97034

*this one is  
13942-B*

*Greenbrier Leasing Corporation*

Mr. James H. Bayne  
Secretary  
Interstate Commerce Commission

Page Two

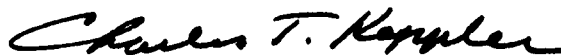
Also enclosed is a check in the amount of \$10 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped counterpart of each of the enclosed documents to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

A short summary of the enclosed secondary documents to appear in the Commission's Index is:

Amendment to Railroad Equipment Lease dated as of March 2, 1986 executed by California Group Services, Greenbrier Leasing Corporation and Schroder Leasing Corporation; ~~and Acknowledgement dated as of March 2, 1986 executed by California Group Services, Schroder Leasing Corporation and J. Henry Schroder Bank and Trust Company, both documents covering three hundred sixty trailer-on-flatcars.~~

Very truly yours,

  
Charles T. Kappler

Enclosures

13942-B  
Filed 1425  
MAY 20 1986 -2 20 PM

AMENDMENT TO RAILROAD EQUIPMENT LEASES

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT TO RAILROAD EQUIPMENT LEASES dated as of March 2, 1986 is entered into by and between CALIFORNIA GROUP SERVICES, a California corporation having its principal place of business at One Walnut Creek Center, 100 Pringle Avenue, Suite 225, Walnut Creek, California 94596 ("Lessor") and GREENBRIER LEASING CORPORATION, a Delaware corporation having its principal place of business at One Centerpointe Drive, Suite 200, Lake Oswego, Oregon 97034 ("Lessee").

WHEREAS, Lessor and Lessee are parties to a Railroad Equipment Lease dated as of November 1, 1982 (the "First Lease") and a Railroad Equipment Lease dated as of January 1, 1983 (the "Second Lease") as amended by an Amendment to Railroad Equipment Lease dated as of December 9, 1983 (the "Amendment") (together the First Lease, the Second Lease and the Amendment hereinafter called the "Leases"),

WHEREAS, the First Lease was filed at the Interstate Commerce Commission and recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on December 29, 1982 at 3:00 p.m. and assigned recordation number 13884, the Second Lease was filed and recorded on February 7, 1983 at 1:45 p.m. and assigned recordation number 13942, and the Amendment was filed and recorded on December 16, 1983 at 12:00 p.m. and assigned recordation number 13942-A,

WHEREAS, Lessee has assigned to Lessor, as collateral for the Lessee's obligations under the Leases, all of its right, title and interest in and to the SP Lease (as defined below),

WHEREAS, the Lessor has reassigned to the Lender (as defined below), as collateral for the Lessor's obligations under the Finance Agreement (as defined below), all of its right, title and interest in and to the SP Lease, and

WHEREAS, Lessor and Lessee desire to amend the Leases,

NOW, THEREFORE, Lessor and Lessee agree as follows:

1. Section 1 of the Leases is amended as follows:

(a) The definition of "Finance Agreement" is amended to read as follows:

"Finance Agreement means the Pledge and Security Agreement-Trust Deed dated as of March 2, 1986 between Lessor and The Connecticut National Bank, as security trustee."

(b) The definition of "Lender" is amended by substituting "The Connecticut National Bank, as Secured Party under the Pledge and Security Agreement-Trust Deed dated as of March 2, 1986 between the Lessor, as debtor, and the Connecticut

National Bank, as secured party and security trustee, and The Minnesota Mutual Life Insurance Company, Early American Life Insurance Company, Sons of Norway and each other from time to time holder of the Secured Notes issued and outstanding under such Security Agreement-Trust Deed" for "Schroder Leasing Corporation, a New York corporation."

(c) Definitions of the following terms are deleted in their entirety: "Guarantor," "Guarantee," "Parent Guarantor," "Parent Guarantee," "Section 21(c) Defaults," "Termination Date," and "Termination Value."

(d) The following definition is hereby added:

"SP Lease means that certain Railroad Equipment Lease dated as of September 1, 1982 as amended by an Amendment and Supplement to Railroad Equipment Lease dated as of June 3, 1983, by a Second Amendment and Supplement to Railroad Equipment Lease dated as of March 15, 1984 (which Second Amendment and Supplement was amended by an Amendment dated as of December 15, 1984) and by a Third Amendment and Supplement to Railroad Equipment Lease dated as of August 20, 1985 between Southern Pacific Transportation Company, a Delaware corporation and the Lessee."

2. Section 4 of the Leases is amended by deleting the entire Section and substituting therefor the following:

"Subject to the provisions of Sections 7 and 15 hereof, the lease term for each Car shall commence on the date appearing on the Certificate of Acceptance relating to such Car (the "Commencement Date") and shall end on March 20, 1992 (the "Primary Term")."

3. Section 5 of the Leases is amended as follows:

(a) The first paragraph is amended by adding to the end thereof the following:

"Notwithstanding the preceding sentence, Lessee agrees to pay as monthly rent for each Car beginning on May 20, 1986 (i.e. effective as of April 21, 1986) and on the twentieth day of each calendar month thereafter to and including March 20, 1992 an amount equal to 1.1730715 percent of the Lessor's Cost of such Car, and for and during any Evergreen Term an

amount equal to 0.4167 percent of the Lessor's Cost of such Car ("Basic Rent")."

(b) The fourth paragraph is deleted in its entirety.

(c) The eighth paragraph is deleted and the following is substituted therefor:

"All payments of Daily Rent, Basic Rent and Loss Value and certain other payments under this Lease have been assigned to Lender pursuant to the Finance Agreement, and Lessor hereby directs Lessee to make all payments of Rent (other than payments due Lessor for its own account under Sections 12, 13, 14 and 23 (insofar as they represent proceeds under public liability insurance policies, or payments in lieu thereof by sublessees, payable to Lessor for its own account) and 28 hereof, all of which payments are to be made directly to Lessor) to Lender at its offices at 777 Main Street, Hartford, Connecticut 06115, Attention: Bond & Trustee Administration; provided that Additional Rent shall be paid as so directed only if payments have not been made directly by Lessee to a third party to the extent required by Sections 12, 13, 14, 23 or 28 hereof."

4. Section 7 of the Leases is amended as follows:

(a) The first sentence of the first paragraph is amended by adding at the beginning thereof:

"Provided that no Event of Default or event which with the lapse of time or the giving of notice, or both, would constitute an Event of Default hereunder shall have occurred and be continuing hereunder,"

(b) The third paragraph is amended by substituting "By no later than September 30, 1991" for "At the end of the 66th month of the Primary Term for the Car which first became subject to this Lease," therein.

(c) The third paragraph is further amended by substituting "by no later than October 31, 1991" for "by the end of the 67th month of the Primary Term for the Car which first became subject to this Lease," therein.

5. Section 8 of the Leases is amended by deleting the entire Section and substituting therefor the following:

"SECTION 8 [INTENTIONALLY OMITTED]"

6. Section 8A of the Leases is amended by deleting the entire Section and substituting therefor the following:

"SECTION 8A [INTENTIONALLY OMITTED]"

7. Section 9 of the Leases is amended as follows:

(a) The first sentence of the first paragraph is amended by adding to the beginning thereof the following:

"Provided that no Event of Default or event which with the lapse of time or the giving of notice, or both, would constitute an Event of Default hereunder shall have occurred and be continuing hereunder,"

(b) The first paragraph is further amended by substituting "by no later than September 15, 1991" for "15 days prior to the end of the 66th month of such Primary Term" therein.

(c) The third paragraph is amended by substituting "by no later than October 31, 1991" for "by the end of the 67th month of such Primary Term," therein.

8. Section 20(a) of the Leases is amended by deleting the second sentence thereof and substituting therefor the following:

"In any such event, the right, title and interest of the mortgagee under any such chattel mortgage shall by the express terms of such chattel mortgage be subject to the leasehold interest of Lessee in and to the Cars hereunder provided that no Event of Default or event which with the lapse of time or giving of notice, or both, would constitute an Event of Default hereunder shall have occurred and be continuing, in which event the leasehold interest of Lessee in and to the Cars hereunder shall terminate and be of no further force and effect, except only with respect to the obligations of Lessee under Section 21(b) hereof (excepting only the right of Lessor to recover damages from Lessee as a result of an Event of Default)."

9. (a) Section 20(b) of the Leases is amended by deleting the second paragraph thereof and substituting therefor the following:

"Nothing in this Section 20(b) shall be deemed to restrict the right of Lessee to assign or transfer its leasehold interest under this Lease in the Cars or possession of the Cars to any solvent corporation incorporated under the laws of any state of the United States of America or the District of Columbia (which

shall have specifically assumed the obligations of Lessee hereunder, by an appropriate instrument in writing) into or with which Lessee shall have become merged or consolidated or which shall have acquired the property of Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger, consolidation or acquisition, be in default under any provision of this Lease."

(b) Section 20(b) of the Leases is further amended by deleting the third paragraph thereof and substituting therefor the following:

"Lessee intends to initially sublease all the Cars subject to this Lease to Southern Pacific for use in its rail transportation business, and Lessor hereby consents to such sublease upon the terms and conditions therein set forth, anything herein contained to the contrary notwithstanding."

(c) Section 20(b) of the Leases is further amended by adding as a fifth paragraph the following:

"The Lessee and the Lessor absolutely and unconditionally acknowledge and agree that this Lease is and shall be subject and subordinate in all respects to (i) the SP Lease and to the rights, title and interests of Southern Pacific as lessee thereunder, of the Lessee as lessor thereunder and of the Lender as collateral assignee of the Lessee, (ii) the Finance Agreement and the lien and security interest thereby created, and that the Lessee and the Lessor further acknowledge and agree that this Lease shall absolutely cease and terminate and be of no further force and effect upon the occurrence of an Event of Default (as defined in the SP Lease) under the SP Lease or upon the occurrence of an Event of Default (as defined in the Finance Agreement) under the Finance Agreement (excepting only the right of Lessor to recover damages from Lessee as a result of an Event of Default)."

10. (a) Section 21(a) of the Leases is amended by deleting all references to "Guarantor," "Guarantee," "Parent Guarantor," or "Parent Guarantee" in paragraphs (iv), (v), (vi), (vii) and (viii) thereof.

(b) Section 21(c) of the Leases is deleted in its entirety.

(c) Section 21(a) of the Leases is amended by deleting the period at the end of Section 21(a)(viii) and adding the following:

"; or (ix) an Event of Default (as defined in the SP Lease) shall have occurred and be continuing under the SP Lease; (x) an Event of Default (as defined in the Finance Agreement) shall have occurred and be continuing under the Finance Agreement; or (xi) an Event of Default (as defined in the Finance and Security Agreement dated as of March 2, 1986 between the Lessor and the Lessee) shall have occurred and be continuing under such agreement."

11. Section 22(a) of the Leases is amended by deleting "either Section 8 or" from the first sentence thereof.

12. Exhibit G of the First Lease and Exhibit G of the Second Lease shall both be replaced by Exhibit G-1 attached hereto for an Event of Loss which occurs on or after May 20, 1986.

13. Except as otherwise provided herein, all of the terms and conditions of the Leases, including Section 14 thereof, shall be and remain in full force and effect.

14. By its execution hereof, Schroder Leasing Corporation, a New York corporation, consents to this Amendment to Railroad Equipment Leases.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute this Amendment to Railroad Equipment Leases as of the date first above written.

CALIFORNIA GROUP SERVICES  
"Lessor"

By

Its

  
VICE PRESIDENT

GREENBRIER LEASING CORPORATION  
"Lessee"

By

Its

  
PRESIDENT

SCHRODER LEASING CORPORATION

By

Its



"; or (ix) an Event of Default (as defined in the SP Lease) shall have occurred and be continuing under the SP Lease; (x) an Event of Default (as defined in the Finance Agreement) shall have occurred and be continuing under the Finance Agreement; or (xi) an Event of Default (as defined in the Finance and Security Agreement dated as of March 2, 1986 between the Lessor and the Lessee) shall have occurred and be continuing under such agreement."

11. Section 22(a) of the Leases is amended by deleting "either Section 8 or" from the first sentence thereof.

12. Exhibit G of the First Lease and Exhibit G of the Second Lease shall both be replaced by Exhibit G-1 attached hereto for an Event of Loss which occurs on or after May 20, 1986.

13. Except as otherwise provided herein, all of the terms and conditions of the Leases, including Section 14 thereof, shall be and remain in full force and effect.

14. By its execution hereof, Schroder Leasing Corporation, a New York corporation, consents to this Amendment to Railroad Equipment Leases.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute this Amendment to Railroad Equipment Leases as of the date first above written.

CALIFORNIA GROUP SERVICES  
"Lessor"

By \_\_\_\_\_  
Its \_\_\_\_\_

GREENBRIER LEASING CORPORATION  
"Lessee"

By \_\_\_\_\_  
Its \_\_\_\_\_

SCHRODER LEASING CORPORATION

By  \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF ILLINOIS   )  
                              ) SS.:  
COUNTY OF COOK       )

On this 19th day of May, 1986, before me personally appeared Steven M. Pickens, to me personally known, who being by me duly sworn, says that he is the Vice President of CALIFORNIA GROUP SERVICES, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Clare C. Potempa  
Notary Public

(NOTARIAL SEAL)

My commission expires:

NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXP. MAY 22, 1988  
ISSUED THRU ILL. NOTARY ASSOC.

STATE OF OREGON       )  
                              ) SS.:  
COUNTY OF CLACKAMAS   )

On this 17th day of MAY, 1986, before me personally appeared WILLIAM A. FURMAN to me personally known, who being by me duly sworn, says that he is the PRESIDENT of GREENBRIER LEASING CORPORATION, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

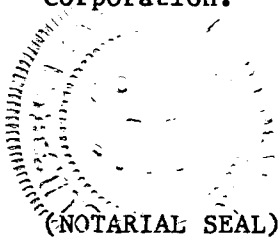
WAF  
Notary Public

(NOTARIAL SEAL)

My commission expires: 6-8-89

STATE OF New York )  
COUNTY OF New York ) SS.:

On this 19<sup>th</sup> day of May, 1986, before me personally appeared J.J. Matisaac to me personally known, who being by me duly sworn, says that he is the president of SCHRODER LEASING CORPORATION, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



(NOTARIAL SEAL)

My commission expires:

Elizabeth Aroyo  
Notary Public

ELIZABETH AROYO  
Notary Public, State of New York  
No. 41-4815977  
Qualified in Queens County  
Certificate filed in New York County  
Commission Expires March 30, 1988

**EXHIBIT G-1****LOSS VALUES**

<u>Rent Payment Date</u>	<u>Percentage of Lessor's Cost of the Cars</u>
May 20, 1986	0
June 20, 1986	79.84
July 20, 1986	79.31
August 20, 1986	78.76
September 20, 1986	78.21
October 20, 1986	77.66
November 20, 1986	77.10
December 20, 1986	76.54
January 20, 1987	75.97
February 20, 1987	72.70
March 20, 1987	72.12
April 20, 1987	71.54
May 20, 1987	70.95
June 20, 1987	70.35
July 20, 1987	69.75
August 20, 1987	69.14
September 20, 1987	68.53
October 20, 1987	67.92
November 20, 1987	67.29
December 20, 1987	66.66
January 20, 1988	66.03
February 20, 1988	62.70
March 20, 1988	62.05
April 20, 1988	61.40
May 20, 1988	60.74
June 20, 1988	60.08
July 20, 1988	59.41
August 20, 1988	58.73
September 20, 1988	58.05
October 20, 1988	57.36
November 20, 1988	56.66
December 20, 1988	55.96
January 20, 1989	55.25
February 20, 1989	51.84
March 20, 1989	51.12
April 20, 1989	50.39
May 20, 1989	49.65
June 20, 1989	48.91

<u>Rent Payment Date</u>	<u>Percentage of Lessor's Cost of the Cars</u>
July 20, 1989	48.16
August 20, 1989	47.40
September 20, 1989	46.64
October 20, 1989	45.86
November 20, 1989	45.09
December 20, 1989	44.30
January 20, 1990	43.50
February 20, 1990	42.70
March 20, 1990	41.89
April 20, 1990	41.08
May 20, 1990	40.25
June 20, 1990	39.42
July 20, 1990	38.58
August 20, 1990	37.73
September 20, 1990	36.87
October 20, 1990	36.00
November 20, 1990	35.13
December 20, 1990	34.24
January 20, 1991	33.35
February 20, 1991	32.45
March 20, 1991	31.54
April 20, 1991	30.62
May 20, 1991	29.70
June 20, 1991	28.76
July 20, 1991	27.81
August 20, 1991	26.86
September 20, 1991	25.89
October 20, 1991	24.92
November 20, 1991	23.93
December 20, 1991	22.94
January 20, 1992	21.94
February 20, 1992	21.65
March 20, 1992	20.00